

Hearing Date And Time: February 24, 2009 at 10:00 a.m. (prevailing Eastern time)
Objection Deadline: February 17, 2009 at 4:00 p.m. (prevailing Eastern time)

Paul F. Flanagan
5746 Chukar Drive
Dayton, OH 45424
(937) 233-9348

Retired Salaried Employee of Delphi Corporation
Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
DELPHI CORPORATION, et al.,	:	Case No. 05-44481 (RDD)
Debtors.	:	(Jointly Administered)

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LETTER TO CONTEST DELPHI'S MOTION FOR ORDER UNDER 11 U.S.C. §§ 105, 363(b)(1), AND 1108 CONFIRMING DEBTORS' AUTHORITY TO TERMINATE EMPLOYER-PAID POSTRETIREMENT HEALTH CARE BENEFITS AND EMPLOYER-PAID POST-RETIREMENT LIFE INSURANCE BENEFITS FOR CERTAIN (A) SALARIED EMPLOYEES AND (B) RETIREES AND THEIR SURVIVING SPOUSES ("SALARIED OPEB TERMINATION MOTION")

Preliminary Statement

I, like many other retirees were involuntarily separated from Delphi years before our eligibility for Medicare at age 65. Retirement has been learning to adjust to about 40 % of previous earnings. Though many are highly skilled, that skill is in an industry that is not hiring manpower so making up for the shortfall in income is not presently feasible. The change proposed by Delphi in eliminating health care for pre-Medicare retirees saves Delphi a small amount of cash, but will push this small group of retirees to great financial hardship. In order to retain the healthcare that was promised upon retirement a retirees monthly income will be reduced by 20% to 50 %(20% for individuals -50 % for families). Further, this level of financial hardship is not being shared equitably by other groups of Delphi employees and retirees only this small group of retirees pre-Medicare eligible. Healthcare is still be provided to active salary employees at the same costs as present. Importantly, hourly active and retired hourly employees will still enjoy FREE health care for life even after age 65. Delphi has eliminated their health care as a direct

charge only by transferring tens of millions of dollars to the UAW. The effect of Delphi's cash position is virtually the same whether Delphi pays directly the healthcare for all hourly employees or it pays the UAW.

Objection on the grounds of equity:

Though it is recognized that Delphi's cash position is serious, the brunt of this change falls disproportionately on a single small group of individual instead of being shared equally by all groups of employees and retirees. The most affective group is well less than 10% of Delphi's U.S. workforce and that group will have their monthly income reduced by 20 to 50%. It is requested that the court delay this change until a proposal is petitioned that all groups of active & retired hourly and salary employees are burdened with a share in the healthcare cost savings.

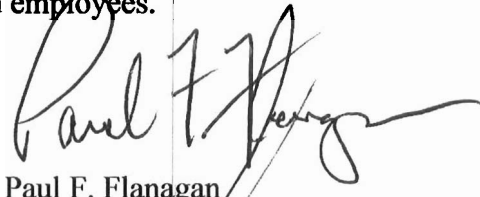
Objection on grounds of insufficient time & undue burden

Delphi's proposal for the healthcare changes would allow at best one month from the time of court action to their proposed elimination of salary retiree healthcare. This time is not sufficient to make a reasonable decision on healthcare providers.

More importantly allow time to make whatever financial adjustments that are possible to a 20 to 50 % reduction in monthly income. Due to the very difficult financial times both in the stock market and job market a minimum of one year is requested if this inequitable change is to be approved.

Closing:

It is requested that your careful consideration in this matter results in the denial of Delphi's request as to this small group singled out for economic hardship. I appreciate the court taking the time to consider my argument and respectfully ask that you not approve Delphi's motion to terminate health coverage for retired salaried employees.

A handwritten signature in black ink, appearing to read "Paul F. Flanagan", written over a vertical line.

Paul F. Flanagan

Status: Delphi Salary Retiree - Pre-Medicare